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TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

October 15, 2008

To the Honorable Senate and House of Representatives:

Pursuant to Section 9C of Chapter 29 of the Massachusetts General Laws, Administration and Finance Secretary Leslie A. Kirwan has advised me of a probable deficiency of revenue of approximately \$1.4 billion with respect to the Fiscal Year 2009 General Appropriation Act and certain non-discretionary spending obligations, including snow and ice removal costs, health and human services caseload exposures, increased debt service and public safety costs. This report, the attached supporting documents, and the legislation I am filing with this report explain the budget reductions and other actions I have identified to close this projected \$1.4 billion shortfall.

The most significant element of my plan is \$1.053 billion in spending reductions and controls. This total includes a voluntary reduction of \$1.17 million in the budget for the Governor's Office and similar voluntary reductions offered by the Legislature, the Judiciary, Constitutional Officers and independently elected officials. Additionally, many of the state's quasi-public agencies have offered funds to mitigate the impact of state cuts. I commend these valued partners for their unprecedented contributions and their leadership. Their voluntary reductions have helped to avoid the need for expanded 9C authority, and as a result we are able to address the shortfall without reducing local aid to the Commonwealth's cities and towns.

Other reductions are being made pursuant to Section 9C to accounts within the Executive Department and through other

spending controls. The Section 9C reductions as reflected in the attached spreadsheet total approximately \$624.5 million. The other spending controls will result in savings of \$146 million from deficiencies not being funded and \$52 million from pension reconciliation.

To arrive at these reductions, I have engaged my Cabinet Secretaries, their department heads and staff. My direction to them was to identify reductions to balance the budget while to the extent possible preserving our key targeted investments including those in education, clean energy, health care reform and infrastructure; to avoid making any reductions in accounts comprising "Cherry Sheet" aid to cities and towns; and to preserve, and if possible, enhance the safety net of programs for the Commonwealth's most vulnerable individuals and families. I recognize that the programs slated for reduction or elimination also represent valued programs and services, and the impact of these cuts will be felt by the citizens who rely on them. In the spirit of shared responsibility, I have made reductions in some of my own priority areas including municipal policing and universal pre-kindergarten grants. I have directed Secretary Kirwan to begin implementing the 9C reductions immediately.

To implement the voluntary reductions and address the remainder of the deficiency, I am filing for your consideration the enclosed emergency supplemental budget legislation, entitled, "An Act Making Appropriations for the Fiscal Year 2009 to Provide for Supplementing Certain Existing Appropriations and for Certain Other Activities and Projects." In addition to implementing the voluntary budget reductions agreed to by the Legislature, the Judiciary, Constitutional Officers and independently elected officials, the legislation sets forth the following additional components of the fiscal plan.

First, I propose a modest extension of the state pension funding schedule, from 2023 to 2025. Accounting rules would permit extending the schedule from 2023 to 2028, but I propose using only a portion of that flexibility to address the current budgetary challenge. I am fully committed to maintaining the stability of the state's pension system, and I will soon file a comprehensive legislative proposal to enhance the system, including steps to curb pension abuse, adopt a

new funding schedule and address unfunded retiree health care liability.

Second, I propose drawing down an additional \$200 million from the Commonwealth Stabilization Fund. This would bring the total of stabilization funds used to balance the FY09 budget to \$601 million, approximately equal to the amount of reserve funds budgeted in FY08, a year that saw positive revenue growth. Given the uncertainty of the economy, I feel it is important to retain the balance of our valuable reserve fund for adjustments that may need to be made later in the year should revenues fall further.

Third, the legislation authorizes transferability among line items within the executive offices and within the trial court. This transferability is essential to helping agencies manage their reductions.

Finally, the bill establishes tiers of state employee health insurance contributions based on ability to pay; an extension of the deadline for municipalities to join the GIC; authorization for additional spending on snow and ice removal; the transfer of certain appropriated funds into the General Fund; and the enactment of those provisions from the Municipal Partnership Act relating to telecommunications companies. The bill also authorizes the Division of Insurance to assess certain police training expenses against property and casualty insurance companies that write motor vehicle policies.

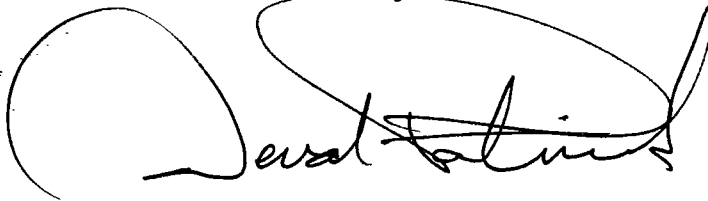
Along with the proposals contained in the legislation, we have identified \$168 million in additional revenues not previously budgeted for the fiscal year, including \$100 million in anticipated Department of Revenue judgments and settlements, \$55 million in federal grants under the Temporary Assistance for Needy Families program, and \$13 million in revenue anticipated under the proposed Municipal Partnership Act provisions pertaining to telecommunications companies.

Related to this plan and to the Commonwealth's economic recovery, I will be filing additional legislation in the coming weeks and months. These initiatives will include but not be limited to an Article

87 Reorganization Plan to carry out certain agency changes to make state government more efficient, the comprehensive pension reform referenced above, and an act to dismantle the Massachusetts Turnpike Authority and reassign its assets and operating responsibilities to address urgent deficiencies.

Taken as a whole, these steps will ensure that the Commonwealth aggressively solves this projected shortfall and responsibly plans for the future. The plan reflects shared sacrifice by many state leaders, and I am indebted to them for their leadership. The plan also anticipates shared sacrifice by our citizens, businesses and non-profits. While we will all feel the impact of the current national and international economic upheaval, I am confident that the steps we take today – and, most importantly, the unparalleled talent and resourcefulness of our people and institutions – will keep the Commonwealth moving forward to a better future.

Sincerely,

A handwritten signature in black ink, appearing to read "David I. Malin". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail that extends to the right.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA +	FY2009 9C	9C Explanation
			PACs	Cuts	
OSC	10000001	Office of the State Comptroller	9,135,602	(402,674)	Reduces payroll and administrative expenses.
ANF	11001100	Office of the Secretary of Administration and Finance	4,026,821	(214,302)	Reduces payroll and administrative expenses.
ANF	11001200	Administration and Finance Government Efficiencies and Accountability Efforts	500,000	(126,762)	Reduces payroll and administrative expenses.
BSB	11023301	Bureau of State Office Buildings	6,843,449	(313,215)	Reduces payroll and administrative expenses.
BSB	11023302	Utility Costs for State Managed Buildings	7,661,633	(426,032)	Reduces appropriation to projected spending levels.
BSB	11023306	State House Operations	774,135	(774,135)	Eliminates account and shifts funding to capital.
OHA	11072400	Massachusetts Office on Disability	759,477	(45,569)	Reduces payroll and administrative expenses.
CSC	11081011	Civil Service Commission	542,613	(30,386)	Reduces payroll and administrative expenses.
GIC	11085200	Group Insurance Premium and Plan Costs	830,933,764	(31,700,000)	Reduces appropriation and implements a three-tiered employee contribution strategy.
GIC	11085350	Retired Governmental Employees Group Insurance Premiums	714,237	(2,857)	Reduces appropriation to reflect lower-than-budgeted caseload projections.
ALA	11101000	Division of Administrative Law Appeals	1,418,052	(79,411)	Reduces payroll and administrative expenses.
LIB	11204005	George Fingold Library	1,273,692	(100,000)	Reduces payroll and administrative expenses.
DOR	12010100	Department of Revenue	119,073,397	(4,000,000)	Reduces payroll and administrative expenses.
DOR	12010160	Child Support Enforcement Division	52,012,766	(2,856,049)	Reduces payroll and administrative expenses.
DOR	12311000	Water and Sewer Rate Relief Payments - Local Services Program	20,000,000	(20,000,000)	Eliminates funding; however, the Massachusetts Water Resources Authority has committed to absorbing this reduction and not increasing rates in FY09.
DOR	12320300	Underground Storage Tank Municipal Grants	465,406	(200,000)	Reduces appropriation to projected spending levels.
ATB	13101000	Appellate Tax Board	2,232,786	(125,036)	Reduces payroll and administrative expenses.
VET	14100010	Department of Veterans' Services Administration	2,338,552	(67,500)	Reduces earmark spending.
ANF	15990042	Early Education and Care Provider Rate Increase	5,000,000	(3,000,000)	Reduces payments to providers to an amount that can be supported by the current revenue estimate.
ANF	15990093	Water Pollution Abatement Trust Contract Assistance	67,489,026	(1,800,000)	Massachusetts Water Pollution Abatement Trust has committed to provide funding to preserve this subsidy for low-interest loans to cities and towns for water and sewer projects.
ANF	15992008	Health Care Cost Containment Reserve	1,500,000	(500,000)	Reduces spending that is not affordable given the current revenue estimate; however, this reduction will not limit current efforts to develop strategies for cost containment.
ANF	15992009	Hale Hospital Reserve	2,420,000	(1,000,000)	Eliminates spending that is not affordable given the current revenue estimate.
ANF	15994231	National Association of Government Employees Collective Bargaining Reserve	1,000,000	(86,000)	Reduces spending consistent with projected need.
ANF	15994233	Service Employees International Union, Local 509 Collective Bargaining Reserve	2,290,448	(240,000)	Reduces spending consistent with projected need.
ANF	15994417	E.J. Collins, Jr. Center for Public Management	541,000	(54,100)	Reduces spending that is not affordable given the current revenue estimate.
EHS	15997050	Rosie D. Reserve	25,000,000	(3,500,000)	Reduces appropriation to projected spending levels.
HRD	17500100	Human Resources Division	4,225,345	(102,134)	Reduces payroll and administrative expenses.
HRD	17500101	Chargeback for Training and HR/CMS Functionality	500,000	(40,000)	Reduces payroll and administrative expenses.
HRD	17500102	Civil Service Exam Fee Retained Revenue	2,833,750	(100,000)	Reduces payroll and administrative expenses.
HRD	17500111	Continuous Testing and Bypass Appeals Programs	106,058	(106,058)	Eliminates funding for Continuous Testing Program.
HRD	17500119	Former County Employees Workers' Compensation	76,350	(4,275)	Reduces appropriation to projected spending levels.
OSD	17750100	Operational Services Division	2,093,556	(117,239)	Reduces payroll and administrative expenses.
OSD	17750102	Commonwealth Online Procurement System	541,791	(30,340)	Reduces payroll and administrative expenses.
OSD	17751101	Affirmative Marketing Program	291,124	(16,302)	Reduces payroll and administrative expenses.

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Dept	Account	Account Name	FY2009 GAA +	FY2009 9C	9C Explanation
			PACs	Cuts	
ITD	17900100	Information Technology Division	5,636,479	(300,523)	Reduces appropriation to projected spending levels.
ENV	20000100	Executive Office of Energy and Environmental Affairs	7,773,765	(715,808)	Eliminates earmark spending.
ENV	20011001	Environmental Affairs Data Processing Service Fee Retained Revenue	125,000	(70,000)	Reduces spending that is not affordable given the current revenue estimate.
ENV	20100100	Recycling Coordination Solid Waste Management Programs and Projects	2,111,987	(650,000)	Reduces spending that is not affordable given the current revenue estimate.
ENV	20200100	Environmental Affairs Office for Technical Assistance	1,711,245	(650,000)	Reduces spending that is not affordable given the current revenue estimate.
ENV	20301000	Environmental Law Enforcement	11,570,989	(757,334)	Reduces appropriation to projected spending levels.
DPU	21000013	Transportation Oversight Division	593,360	(50,000)	Reduces payroll and administrative expenses.
EQE	22000100	Department of Environmental Protection	36,272,524	(2,411,292)	The Water Pollution Abatement Trust will offset approximately \$400K of this reduction to support technical assistance for water and sewer projects. The remaining reduction represents eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
EQE	22000102	Wetlands Permitting Fee Retained Revenue	1,200,000	(797,493)	Reduces spending that is not affordable given the current revenue estimate.
EQE	22202221	Clean Air Act Operating Permit and Compliance Program	2,104,090	(100,000)	Reduces spending that is not affordable given the current revenue estimate.
EQE	22608870	Hazardous Waste Cleanup Program	16,662,923	(45,000)	Reduces earmark spending.
FWE	23000100	Department of Fish and Game	793,896	(50,000)	Eliminates earmark spending.
FWE	23000101	Riverways Protection, Restoration and Public Access Promotion	650,000	(200,000)	Reduces spending that is not affordable given the current revenue estimate.
FWE	23100200	Division of Fisheries and Wildlife	10,327,287	(500,000)	Reduces spending that is not affordable given the current revenue estimate.
FWE	23100306	Hunter Safety Program	497,148	(75,000)	Reduces spending that is not affordable given the current revenue estimate.
FWE	23100316	Wildlife Habitat Purchase	1,500,000	(500,000)	Reduces spending that is not affordable given the current revenue estimate.
FWE	23100317	Waterfowl Management Program	85,000	(40,000)	Reduces spending that is not affordable given the current revenue estimate.
FWE	23200100	Fishing and Boating Access	635,647	(50,000)	Reduces spending that is not affordable given the current revenue estimate.
FWE	23300100	Division of Marine Fisheries	5,700,068	(572,000)	Reduces spending that is not affordable given the current revenue estimate.
FWE	23300120	Marine Recreational Fisheries Development & Enhancement Program	609,040	(31,955)	Reduces spending that is not affordable given the current revenue estimate.
AGR	25110100	Department of Agricultural Resources	5,506,927	(562,019)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
AGR	25112000	Agricultural Innovation Center	1,500,000	(500,000)	Reduces spending that is not affordable given the current revenue estimate.
DCR	28000100	Department of Conservation and Recreation	7,389,872	(1,001,090)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DCR	28000101	Watershed Management Program	2,060,310	(604,971)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DCR	28000401	Stormwater Management	1,094,643	(198,265)	Reduces payroll and the account to an amount consistent with the H.2 budget recommendation.
DCR	28000501	Beach Preservation	4,303,025	(368,025)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DCR	28000700	Office of Dam Safety	1,275,428	(390,000)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA + PACs	FY2009 9C Cuts	9C Explanation
DCR	28009004	Trailside Museum	425,000	(300,000)	Reduces payments for a public-private partnership that is not affordable given the current revenue estimate.
DCR	28100100	State Parks and Recreation	26,091,714	(2,317,567)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DCR	28100200	Conservation and Recreation Summer Job Program	2,024,405	(150,000)	Reduces spending that is not affordable given the current revenue estimate.
DCR	28200100	Urban Parks and Recreation	29,973,754	(2,521,241)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DCR	28200101	State House Park Rangers	2,002,812	(130,317)	Reduces payroll and administrative expenses.
DCR	28200200	Urban Park Seasonals	3,150,000	(150,000)	Reduces account to an amount consistent with the H.2 budget recommendation.
DCR	28200300	Central Artery/Tunnel Parks and Spectacle Island	1,603,959	(165,325)	Reduces account to an amount consistent with the H.2 budget recommendation.
EEC	30001000	Department of Early Education and Care Administration	13,867,894	(221,130)	Reduces payroll and administrative expenses.
EEC	30002000	Access Management	25,410,771	(2,000,000)	Reduces payroll and administrative expenses.
EEC	30002050	Children's Trust Fund	1,349,658	(70,000)	Reduces payroll and administrative expenses.
EEC	30003050	Supportive Child Care	79,091,314	(3,500,000)	Reduces appropriation to reflect revised caseload projections.
EEC	30004060	Low-Income Child Care	213,569,917	(3,493,531)	Reduces spending that is not affordable given the current revenue estimate.
EEC	30005000	Grants to Head Start Programs	10,000,000	(1,000,000)	Reduces spending that is not affordable given the current revenue estimate.
EEC	30005075	Universal Pre-Kindergarten	12,138,739	(500,000)	Reduces spending that is not affordable given the current revenue estimate.
EEC	30006050	Professional Development	4,558,000	(1,557,800)	Reduces spending that is not affordable given the current revenue estimate.
EEC	30007000	Healthy Families Home Visiting Program	13,192,235	(710,328)	Reduces spending that is not affordable given the current revenue estimate.
EEC	30007050	Family Support and Engagement	9,555,694	(1,079,138)	Reduces earmark spending.
EHS	40000112	Youth-at-Risk Matching Grants	5,845,000	(2,920,000)	Eliminates earmark spending.
EHS	40000300	Executive Office of Health and Human Services and Medicaid Administration	145,368,773	(1,500,000)	Reduces payroll and administrative expenses.
DMA	40000301	MassHealth Auditing and Utilization Reviews	2,225,904	(200,000)	Reduces payroll and administrative expenses.
DMA	40000352	MassHealth Enrollment Outreach Grants	3,500,000	(2,500,000)	The Health and Education Facilities Authority (HEFA) and the Commonwealth Connector Authority (CCA) have committed to provide funding to preserve this program.
EHS	40000355	Health Care Quality and Cost Council	1,888,616	(705,762)	Reduces spending that is not affordable given the current revenue estimate.
DMA	40000500	MassHealth Managed Care	3,121,385,000	(101,880,000)	Reduces spending that is not affordable given the current revenue estimates.
DMA	40000600	MassHealth Senior Care	2,158,355,058	(60,180,000)	Reduces spending that is not affordable given the current revenue estimate.
DMA	40000650	Community First Initiative	20,000,000	(13,500,000)	Reduces appropriation to projected spending levels.
DMA	40000700	MassHealth Indemnity	1,539,816,000	(50,960,000)	Reduces spending that is not affordable given the current revenue estimate.
ORI	40030122	Low-Income Citizenship Program	650,000	(40,950)	Reduces spending that is not affordable given the current revenue estimate.
HCF	41000060	Division of Health Care Finance and Policy	17,513,039	(500,000)	Reduces spending that is not affordable given the current revenue estimate.
MCB	41101000	Community Services for the Blind	4,545,633	(432,234)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
MCB	41101010	State Supplement to Supplemental Security Income for the Blind	8,351,643	(154,000)	Reduces appropriation to projected spending levels.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA + PACs	FY2009 9C Cuts	9C Explanation
MCB	41101020	Medical Assistance Eligibility Determination for the Blind	369,796	(204,881)	Eliminates programs as duplicate services offered within MassHealth.
MCB	41104000	Ferguson Industries for the Blind	1,923,538	(867,711)	Eliminates program. Participants will be included in Day Programming within other EOHHS agencies.
MRC	41202000	Vocational Rehabilitation for the Disabled	10,982,471	(100,000)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
MRC	41203000	Employment Assistance for Adults with a Severe Disability	8,561,446	(1,119,000)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
MRC	41204000	Independent Living Assistance for the Multi-Disabled	12,449,034	(412,500)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
MRC	41206000	Head Injury Treatment Services	10,933,588	(87,500)	Reduces earmark spending.
MCD	41250100	Massachusetts Commission for the Deaf and Hard of Hearing	5,783,283	(158,385)	Reduces spending that is not affordable given the current revenue estimate.
MCD	41250102	Interpreters for State House Events	12,120	(12,120)	Eliminates appropriation. The Bureau of State Office Buildings has committed to absorb this reduction and maintain interpreter services for State House Events.
DYS	42000010	Department of Youth Services Administration	5,657,621	(175,000)	Reduces payroll and administrative expenses.
DYS	42000100	Non-Residential Services for Committed Population	22,828,627	(200,000)	Reduces appropriation to reflect the Department's initiative to redesign juvenile re-entry programs.
DYS	42000200	Residential Services for Detained Population	25,719,287	(170,000)	Reduces spending that is not affordable given the current revenue estimate.
DYS	42000300	Residential Services for Committed Population	105,563,546	(1,000,000)	Reduces appropriation to reflect declining census and utilization.
WEL	44011000	Employment Services Program	27,720,672	(3,123,215)	Reduces spending that is not affordable given the current revenue estimate.
WEL	44032000	TAFDC Grant Payments	302,742,675	(4,572,800)	Reduces appropriation to reflect lower-than-budgeted caseload projections.
WEL	44032120	Emergency Assistance - Family Shelters and Services	87,224,342	(974,789)	Eliminates earmark spending.
WEL	44052000	State Supplement to Supplemental Security Income	219,304,536	(917,681)	Reduces spending that is not affordable given the current revenue estimate.
WEL	44081000	Emergency Aid to the Elderly, Disabled and Children	72,476,084	(381,360)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45100100	Department of Public Health	21,911,667	(700,000)	Reduces payroll and administrative expenses.
DPH	45100110	Community Health Center Services	7,457,772	(60,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45100600	Environmental Health Services	4,133,923	(431,400)	Reduces payroll and administrative expenses.
DPH	45100710	Division of Health Care Quality and Improvement	8,817,714	(140,000)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DPH	45100716	Academic Detailing Program	500,000	(200,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45100720	Certified Nurse's Aide Scholarships Fund	250,000	(200,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45100721	Board of Registration in Nursing	1,725,170	(172,517)	Reduces payroll and administrative expenses.
DPH	45100722	Board of Registration in Pharmacy	541,311	(54,131)	Reduces payroll and administrative expenses.
DPH	45100723	Board of Registration in Medicine and Acupuncture	2,670,027	(267,000)	Reduces payroll and administrative expenses.
DPH	45100725	Health Boards of Registration	472,097	(47,210)	Reduces payroll and administrative expenses.
DPH	45100790	Regional Emergency Medical Services	1,246,896	(125,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45120103	HIV/AIDS Prevention, Treatment and Services	37,666,608	(1,526,461)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA + PACs	FY2009 9C Cuts	9C Explanation
DPH	45120200	Division of Substance Abuse Services	80,557,456	(2,891,250)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DPH	45120201	Substance Abuse Step-Down Recovery Services	5,000,000	(200,000)	Eliminates earmark spending.
DPH	45120202	Secure Treatment Facilities for Opiate Addiction	5,000,000	(5,000,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45120500	Dental Health Services	3,147,016	(570,000)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
DPH	45131000	Family Health Services	7,620,000	(1,760,000)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
DPH	45131020	Early Intervention Services	42,936,049	(1,126,000)	Reduces a program or service by changing consumer eligibility requirements.
DPH	45131026	Suicide Prevention and Intervention Program	4,753,239	(611,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45131111	Health Promotion and Disease Prevention	14,709,996	(1,386,982)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
DPH	45161000	State Laboratory and Communicable Disease Control Services	15,653,231	(530,000)	Eliminates earmark spending.
DPH	45309000	Teenage Pregnancy Prevention Services	4,055,586	(285,000)	Reduces earmarks and other spending that are not affordable given the current revenue estimate.
DPH	45701502	Infection Prevention Program	1,000,000	(215,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45801000	Universal Immunization Program	51,581,508	(5,968,179)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45900250	School-Based Health Programs	17,457,134	(567,500)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DPH	45900300	Smoking Prevention and Cessation Programs	12,750,000	(525,000)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45900915	Public Health Hospitals	144,881,131	(2,515,002)	Reduces spending that is not affordable given the current revenue estimate.
DPH	45901503	Pediatric Palliative Care	1,000,000	(208,400)	Eliminates spending that is not affordable given the current revenue estimate.
DSS	48000015	Department of Social Services Administration	77,337,703	(1,766,000)	Reduces payroll and administrative expenses.
DSS	48000021	Enhanced Comprehensive Social Services	5,000,000	(1,000,000)	Reduces payroll and administrative expenses.
DSS	48000025	Foster Care Review	2,976,282	(154,000)	Reduces payroll and administrative expenses.
DSS	48000030	DSS Regional Administration	21,020,794	(2,490,000)	Reduces payroll and administrative expenses.
DSS	48000038	Services for Children and Families	313,792,694	(6,020,808)	Eliminates earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DSS	48000041	Group Care Services	229,554,705	(3,492,000)	Reduces spending that is not affordable given the current revenue estimate.
DSS	48000091	Child Welfare Training Institute Retained Revenue	3,000,000	(325,000)	Reduces appropriation to projected spending levels.
DMH	50110100	Department of Mental Health Administration	38,359,864	(803,299)	Reduces payroll and administrative expenses.
DMH	50425000	Child and Adolescent Mental Health Services	76,201,535	(2,255,367)	Reduces appropriation to last year's spending levels. This reduction can be supported as the Department moves to redesign it's service delivery system.
DMH	50460000	Adult Mental Health and Support Services	322,068,305	(27,967,281)	This reduction is largely attributed to \$22M in obligations that will be transferred to Trusts while the case management service process is re-evaluated. The remaining \$6M will reduce earmark spending and payroll expenses.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA + PACs	FY2009 9C Cuts	9C Explanation
DMH	50462000	Statewide Homelessness Support Services	22,452,466	(2,119,549)	Over \$2M of this reduction is a result of a transfer of obligations to Trusts while the case management service process is re-evaluated. The remaining value reduces services and earmark spending.
DMH	50470001	Emergency Services and Acute Mental Health Care	36,228,259	(68,862)	Reduces appropriation to last year's spending levels.
DMH	50950015	Inpatient Facilities and Community-Based Mental Health Services	181,899,591	(300,000)	Reduces appropriation to projected spending levels.
DMR	59111003	Department of Mental Retardation Administration and Operations	73,863,906	(1,939,410)	Reduces payroll and administrative expenses.
DMR	59202000	Community Residential Supports for the Mentally Retarded	569,561,352	(375,000)	Reduces earmark spending.
DMR	59202025	Community Day and Work Programs for the Mentally Retarded	129,159,457	(150,000)	Reduces earmark spending.
DMR	59203000	Respite Family Supports for the Mentally Retarded	56,094,228	(50,000)	Reduces earmark spending.
DMR	59203010	Autism Division	6,264,413	(1,802,500)	Reduces earmark spending.
DMR	59301000	State Facilities for the Mentally Retarded	187,545,814	(3,018,944)	Reduces payroll and administrative expenses and reduces funding through a facility closure.
TRP	60000100	Executive Office of Transportation and Public Works	4,540,987	(116,524)	Reduces payroll and administrative expenses.
TRP	60000200	Inter-District Transportation Program	2,000,000	(408,500)	Reduces spending that is not affordable given the current revenue estimate.
MAC	60060003	Massachusetts Aeronautics Commission	602,663	(113,608)	Reduces payroll and administrative expenses.
DPW	60100001	Massachusetts Highway Department	16,906,691	(589,809)	Reduces appropriation to projected spending levels.
DPW	60100002	Massachusetts Highway Department Administration Payroll and Overtime	21,069,425	(497,354)	Reduces payroll and administrative expenses.
BLC	70009402	Talking Book Program - Worcester	440,000	(16,315)	Reduces spending that is not affordable given the current revenue estimate.
BLC	70009406	Talking Book Program - Watertown	2,341,359	(86,816)	Reduces spending that is not affordable given the current revenue estimate.
BLC	70009506	Technology and Automated Resource-Sharing Networks	2,851,000	(35,000)	Reduces spending that is not affordable given the current revenue estimate.
BLC	70009507	Public Library Matching Incentive Grant	250,000	(250,000)	Eliminates spending that is not affordable given the current revenue estimate.
EED	70020010	Executive Office of Housing and Economic Development	585,914	(50,000)	Reduces payroll and administrative expenses.
EOL	70020012	Summer Jobs Program for At-Risk Youth	8,100,000	(100,000)	Reduces spending that is not affordable given the current revenue estimate.
EED	70020013	Permitting Technical Grants	4,944,640	(4,200,000)	The Massachusetts Development Finance Agency has committed to provide funding to preserve this program.
ELW	70020100	Executive Office of Labor and Workforce Development	1,412,069	(100,000)	Eliminates spending that is not affordable given the current revenue estimate.
DIA	70020500	Division of Industrial Accidents	21,196,452	(92,184)	Reduces payroll and administrative expenses.
EOL	70030604	Health Care Career Ladder Programs	1,500,000	(1,000,000)	Reduces spending that is not affordable given the current revenue estimate.
EOL	70030605	Massachusetts Manufacturing Extension Partnership	1,375,000	(462,500)	Reduces spending that is not affordable given the current revenue estimate.
EOL	70030701	Workforce Training Programs	39,883,677	(9,000,000)	Reduces spending that is not affordable given the current revenue estimate.
EOL	70030702	Individual Training Grants	11,038,500	(8,226,000)	Reduces earmark spending.
EOL	70031641	Small Business Association Layoff Aversion Program	200,000	(200,000)	Reduces spending that is not affordable given the current revenue estimate.
OCD	70040001	Indian Affairs Commission	306,894	(50,000)	Eliminates earmark spending.
OCD	70040099	Department of Housing and Community Development	12,244,245	(2,196,720)	Eliminates earmark spending.
OCD	70042475	Soft Second Mortgage	5,750,000	(2,000,000)	The Massachusetts Housing Partnership has committed to providing funding to preserve this program.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA + PACs	FY2009 9C Cuts	9C Explanation
OCD	70043036	Housing Services and Counseling	2,171,925	(260,963)	Eliminates earmark spending.
OCD	70049024	Massachusetts Rental Voucher Program	33,047,202	(2,500,000)	The Massachusetts Housing Finance Agency has committed to providing funding to preserve this program.
OCD	70049201	Interest Subsidies for Private Development of Affordable Housing	4,500,000	(4,500,000)	The Massachusetts Housing Finance Agency has committed to absorbing this reduction.
SCA	70060000	Office of Consumer Affairs and Business Regulation	1,689,673	(91,077)	Reduces payroll and administrative expenses.
DOI	70060020	Division of Insurance	11,132,928	(586,473)	Eliminates spending that is not affordable given the current revenue estimate.
REG	70060040	Division of Professional Licensure	4,228,906	(308,710)	Reduces payroll and administrative expenses.
DOS	70060067	Weights and Measures Law Enforcement Fee Retained Revenue	458,900	(96,901)	Eliminates spending that is not affordable given the current revenue estimate.
SRC	70060110	State Racing Commission	2,113,360	(200,000)	Reduces payroll and administrative expenses.
ENE	70061000	Division of Energy Resources	1,814,580	(71,000)	Reduces payroll and administrative expenses.
SEA	70070300	Massachusetts Office of Business Development	3,808,692	(100,000)	Reduces payroll and administrative expenses.
SEA	70070334	Office of Small Business and Entrepreneurship	1,260,697	(1,033,000)	The Massachusetts Development Finance Agency has committed to provide funding to preserve this program.
SEA	70070500	Biotech Research Institute	820,000	(160,000)	Eliminates spending that is not affordable given the current revenue estimate.
SEA	70070900	Massachusetts Office of Travel and Tourism	38,713,809	(20,296,903)	Eliminates earmark spending. In addition, the Massachusetts Convention Center Authority has committed to provide \$2.5 million in funding to continue tourism marketing efforts.
SEA	70070951	Commonwealth Zoological Corporation	7,150,000	(200,000)	Eliminates earmark spending.
SEA	70071000	Local Tourist Councils Financial Assistance	9,000,000	(500,000)	Eliminates spending that is not affordable given the current revenue estimate.
SEA	70071200	Massachusetts Technology Collaborative	250,000	(187,500)	Eliminates spending that is not affordable given the current revenue estimate.
SEA	70071300	Massachusetts International Trade Council	1,460,000	(611,225)	The Massachusetts Port Authority and the Massachusetts Tech Collaborative have committed to providing funding to maintain this program.
SEA	70071500	State Office of Minority and Women Business Assistance	1,102,854	(15,000)	Reduces payroll and administrative expenses.
EDU	70096379	Executive Office of Education Administration	932,092	(48,469)	Reduces appropriation to projected spending levels.
DOE	70100005	Department of Elementary and Secondary Education	16,780,047	(100,000)	Eliminates earmark spending.
DOE	70100012	Programs to Eliminate Racial Imbalance - METCO	21,615,313	(1,294,700)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70100020	Bay State Reading Institute	1,450,000	(250,000)	Eliminates earmark spending.
DOE	70100216	Teacher Quality Investment	845,881	(439,631)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DOE	70101022	Certificate of Occupational Proficiency	1,300,000	(300,000)	Reduces appropriation to projected spending levels.
DOE	70270016	School-to-Work Programs Matching Grants	3,157,255	(1,556,795)	Reduces earmark spending.
DOE	70301002	Kindergarten Expansion Grants	34,472,115	(3,000,000)	Eliminates earmark spending.
DOE	70301003	Early Literacy Grants	3,740,000	(484,308)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
DOE	70301005	Targeted Tutorial Literacy Program	2,900,000	(650,800)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70350002	Adult Basic Education	31,176,348	(1,000,000)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70520006	School Building Assistance - Engineering and Architectural Services	19,076	(19,076)	Eliminates spending that is not affordable given the current revenue estimate.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA + PACs	FY2009 9C Cuts	9C Explanation
DOE	70610011	Education Reform Reserve	5,500,000	(750,000)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DOE	70610012	Circuit Breaker - Reimbursement for Special Education Residential Schools	230,043,700	(13,534,644)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DOE	70610029	Office of Educational Quality and Accountability	2,974,554	(750,000)	Reduces appropriation to projected spending levels.
DOE	70610222	Low-Class Size Grants	400,000	(400,000)	Eliminates account, consistent with the H.2 budget recommendation.
DOE	70619400	Student and School Assessment	29,310,695	(850,000)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70619404	MCAS Low-Scoring Student Support	18,381,697	(722,500)	Reduces earmark spending.
DOE	70619408	Targeted Intervention in Underperforming Schools	11,375,818	(1,000,000)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70619412	Extended Learning Time Grants	18,032,256	(86,250)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70619600	Concurrent Enrollment for Disabled Students	2,005,000	(215,000)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70619604	Teacher Preparation and Certification	2,032,758	(70,000)	Eliminates earmark spending.
DOE	70619610	Citizen Schools Matching Grants	550,000	(75,000)	Reduces account to an amount consistent with H.2 funding.
DOE	70619611	After-School and Out-of-School Grants	5,857,143	(213,600)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
DOE	70619612	Worcester Polytechnic Institute School of Excellence Program	2,175,231	(425,000)	Reduces earmark spending.
DOE	70619621	Gifted and Talented Children	907,240	(200,000)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70619626	Youth-Build Grants	2,770,500	(826,773)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70619634	Mentoring Matching Grants	712,000	(191,557)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DOE	70619804	Teacher Content Training	1,356,709	(500,000)	Reduces spending that is not affordable given the current revenue estimate.
DOE	70619805	Bullying Prevention	250,000	(250,000)	Eliminates account, consistent with the H.2 budget recommendation.
RGT	70660000	Department of Higher Education	6,512,898	(1,059,532)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
RGT	70660009	New England Board of Higher Education	467,500	(100,000)	Eliminates earmark spending.
RGT	70700031	McNair Financial Assistance Program	1,965,638	(1,600,000)	The Massachusetts Education Finance Authority has committed to provide funding to preserve this program.
RGT	70770023	Tufts School of Veterinary Medicine Program	5,525,000	(2,762,500)	Reduces spending that is not affordable given the current revenue estimate.
UMS	71000200	University of Massachusetts	492,251,998	(24,612,600)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
UMS	71000300	Toxics Use Reduction Institute - University of Massachusetts Lowell	1,917,454	(250,000)	Reduces earmark spending.
BSC	71090100	Bridgewater State College	39,535,289	(1,971,764)	Reduces payroll and administrative expenses.
FSC	71100100	Fitchburg State College	27,809,654	(1,390,483)	Reduces payroll and administrative expenses.
FRC	71120100	Framingham State College	24,852,111	(1,242,606)	Reduces payroll and administrative expenses.
NAC	71130100	Massachusetts College of Liberal Arts	14,372,730	(718,637)	Reduces payroll and administrative expenses.
SSA	71140100	Salem State College	39,824,815	(1,991,241)	Reduces payroll and administrative expenses.
WSC	71150100	Westfield State College	23,222,725	(1,161,136)	Reduces payroll and administrative expenses.
WOR	71160100	Worcester State College	23,668,255	(1,183,413)	Reduces payroll and administrative expenses.
MCA	71170100	Massachusetts College of Art	15,202,160	(760,108)	Reduces payroll and administrative expenses.
MMA	71180100	Massachusetts Maritime Academy	14,077,588	(703,879)	Reduces payroll and administrative expenses.
BCC	75020100	Berkshire Community College	9,383,215	(464,161)	Reduces payroll and administrative expenses.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA +	FY2009 9C	9C Explanation
			PACs	Cuts	
BRC	75030100	Bristol Community College	16,176,392	(808,820)	Reduces payroll and administrative expenses.
CCC	75040100	Cape Cod Community College	11,570,597	(578,530)	Reduces payroll and administrative expenses.
GCC	75050100	Greenfield Community College	9,221,641	(461,082)	Reduces payroll and administrative expenses.
HCC	75060100	Holyoke Community College	18,751,285	(937,564)	Reduces payroll and administrative expenses.
MBC	75070100	Massachusetts Bay Community College	14,043,486	(702,174)	Reduces payroll and administrative expenses.
MAS	75080100	Massasoit Community College	20,345,926	(1,017,296)	Reduces payroll and administrative expenses.
MWC	75090100	Mount Wachusett Community College	12,834,946	(641,747)	Reduces payroll and administrative expenses.
NEC	75100100	Northern Essex Community College	19,164,450	(958,223)	Reduces payroll and administrative expenses.
NSC	75110100	North Shore Community College	20,602,945	(1,030,147)	Reduces payroll and administrative expenses.
QCC	75120100	Quinsigamond Community College	15,234,960	(761,748)	Reduces payroll and administrative expenses.
STC	75140100	Springfield Technical Community College	24,696,590	(1,234,830)	Reduces payroll and administrative expenses.
RCC	75150100	Roxbury Community College	11,371,250	(568,563)	Reduces payroll and administrative expenses.
MCC	75160100	Middlesex Community College	20,078,979	(1,003,949)	Reduces payroll and administrative expenses.
BHC	75180100	Bunker Hill Community College	20,878,500	(1,043,925)	Reduces payroll and administrative expenses.
EPS	80000000	Executive Office of Public Safety and Security	3,194,281	(595,000)	Eliminates earmark spending.
EPS	80000010	Local Law Enforcement Assistance Program	21,351,035	(5,000,000)	Reduces spending that is not affordable given the current revenue estimate.
EPS	80000054	Municipal Police Grants	4,000,000	(4,000,000)	Eliminates spending that is not affordable given the current revenue estimate.
CME	80000105	Office of the Chief Medical Examiner	8,719,907	(224,125)	Reduces spending that is not affordable given the current revenue estimate.
CHS	80000110	Criminal History Systems Board	6,732,924	(344,317)	Reduces payroll and administrative expenses.
SOR	80000125	Sex Offender Registry Board	4,928,494	(450,000)	Reduces spending that is not affordable given the current revenue estimate.
POL	81000000	Department of State Police Operations	256,755,080	(2,331,760)	Reduces payroll and administrative expenses.
POL	81000007	State Police Overtime	5,000,000	(240,000)	Reduces spending that is not affordable given the current revenue estimate.
CJT	82000200	Municipal Police Training Committee	2,911,398	(2,211,398)	Transfers account to an assessed account.
DPS	83111000	Department of Public Safety	2,771,301	(320,000)	Reduces earmark spending and reduces other spending that is not affordable given the current revenue estimate.
DPS	83151000	Division of Inspections	5,273,285	(130,000)	Reduces spending that is not affordable given the current revenue estimate.
DFS	83240000	Department of Fire Services Administration	19,828,315	(3,028,812)	Reduces earmark spending.
RMV	84000001	Registry of Motor Vehicles	57,464,135	(2,000,000)	Reduces payroll and administrative expenses.
RMV	84000016	Motorcycle Safety Program	252,607	(29,651)	Reduces administrative expenses.
MRB	84000100	Merit Rating Board	8,874,872	(1,000,000)	Reduces payroll and administrative expenses.
MIL	87000001	Military Division	9,207,659	(164,000)	Reduces payroll and administrative expenses.
MIL	87001150	National Guard Tuition and Fee Waivers	6,058,409	(442,344)	Reduces appropriation to projected spending levels.
CDA	88000300	Environmental Monitoring of Seabrook Nuclear Power Plant	165,356	(165,356)	Eliminates spending that is not affordable given the current revenue estimate.
DOC	89000001	Department of Correction Facility Operations	530,536,205	(1,372,000)	Eliminates earmark spending.
DOC	89001100	Re-Entry Programs	1,200,000	(267,200)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
EPS	89100002	Barnstable County Sex Offender Management Program	155,040	(80,040)	Reduces spending that is not affordable given the current revenue estimate.
EPS	89100003	Forensic Services Program for Incarcerated Persons	2,600,000	(145,600)	Reduces spending that is not affordable given the current revenue estimate.
EPS	89100010	Lemuel Shattuck Hospital County Expenses	2,700,829	(151,247)	Reduces spending that is not affordable given the current revenue estimate.
PAR	89500001	Parole Board	18,963,004	(251,000)	Reduces payroll and administrative expenses.
PAR	89500002	Victim and Witness Assistance Program	292,244	(14,028)	Reduces spending that is not affordable given the current revenue estimate.
ELD	91100100	Department of Elder Affairs Administration	3,741,705	(100,000)	Reduces payroll and administrative expenses.
ELD	91101455	Prescription Advantage	57,533,656	(6,900,000)	Reduces a program or service by changing consumer eligibility requirements.

9C Account Listing

Dept	Account	Account Name	FY2009 GAA + PACs	FY2009 9C Cuts	9C Explanation
ELD	91101604	Supportive Senior Housing Program	4,202,915	(49,672)	Eliminates spending that is not affordable given the current revenue estimate.
ELD	91101630	Elder Home Care Purchased Services	106,715,568	(3,968,000)	Reduces a program or service by changing consumer eligibility requirements.
ELD	91101633	Elder Home Care Case Management and Administration	40,368,041	(2,800,000)	Reduces payments to providers to an amount that can be supported by the current revenue estimate.
ELD	91101640	Geriatric Mental Health Services Program	225,000	(100,000)	Reduces spending that is not affordable given the current revenue estimate.
ELD	91101650	Family Caregivers Program	250,000	(250,000)	Eliminates spending that is not affordable given the current revenue estimate.
ELD	91101660	Congregate Housing Program	2,789,031	(627,890)	Reduces earmark spending and other spending that is not affordable given the current revenue estimate.
ELD	91101700	Residential Placement for Homeless Elders	450,000	(297,000)	Reduces earmark spending.
ELD	91101900	Elder Nutrition Program	6,804,740	(202,500)	Reduces earmark spending.
ELD	91109002	Grants to Councils on Aging	8,615,068	(216,700)	Reduces spending that is not affordable given the current revenue estimate.

(624,452,951)

Section Title Number	Description	Associated Savings
2, 3	Municipal Police Training Committee The purpose of the line item and outside section is to fund MPTC and State Police Training through an assessment on automobile insurance. With the additional funding, MPTC will standardize the training for new recruits of municipal police departments and those law enforcement officers employed by agencies of the commonwealth who exercise police powers, including but not limited to environmental police officers, and campus police officers of the University of Massachusetts and state colleges who exercise police powers.	
4	Pension Items This section extends the time frame under which the Commonwealth must fulfill its pension obligation. Current GASB rules permit the funding schedule to extend to 2028; however, this section proposes to extend to only 2025.	\$ (100,000,000)
5	Extension of Deadline for Municipalities to Join GIC This section extends the deadline by which municipalities must notify the Group Insurance Commission that they intend to join the GIC for health insurance coverage for their employees.	This section does not provide direct state savings; however, it allows for municipalities that have nearly completed the local certification process to complete that process and join the GIC to achieve municipal savings in health care costs.
6-10, 22	Telecomm / Lottery These sections would eliminate utility corporation tax exemptions for telecommunications companies and make them subject to the same exemptions as other business corporations. They would be taxable on machinery used in the conduct of business, and city and town assessors would be responsible for valuing that machinery. The bill would also reduce each community's share of the \$124 million in supplemental lottery funding by the amount of new revenue they would get from a half of one year's telecom tax.	\$ (13,000,000)
11-14	Hospital (BMC) Rate Payment This section eliminates a supplemental payment.	\$ (64,000,000)

Section Number	Title	Description	Associated Savings
15	Line Item Transferability	This section provides the Secretary of the Executive Office for Administration and Finance with the authority to transfer up to 7% of appropriated amounts to another account within the same Department or Secretariat.	This section does not provide direct savings; however, it offers the flexibility to absorb 9C reductions in a way that has the least impact to services.
16	Trial Court Transferability	This section provides the Trial Court with the authority to transfer any amount among all trial court appropriations. All transfers must be completed prior to April 30, 2009, and must be proceeded with a schedule submission to the House and Senate Committees on Ways and Means.	This section does not provide direct savings; however, it offers the flexibility to absorb 9C reductions in a way that has the least impact to services.
17	GIC Tiering	This section establishes a three-tier contribution structure for state employee health insurance based on employees' ability to pay. This proposal was also included in Governor Patrick's FY09 H.2 Budget Recommendation.	\$ (28,500,000)
18	Snow and Ice Deficit Spending	This section permits snow and ice accounts within the Mass Highway Department and the Department of Conversation and Recreation to spend into deficiency to accommodate for timing discrepancies between the need for snow removal and the availability of funds. The amount to which these accounts can spend into deficiency is capped at \$80 million, and deficiency spending must be authorized by the Secretary of Administration and Finance in consultation with the Secretary of Transportation and Public Works and the State Comptroller.	This section does not provide direct savings; however, it allows these departments to provide services throughout the winter without the need for supplemental funds in advance. This will allow the Commonwealth to provide only those supplemental funds that are necessary to fulfill the obligation.
19	Stabilization Fund Use	This section authorizes the draw of up to \$200 million from the Stabilization Fund in order to meet current year expenditures. The Comptroller, at the request of the Secretary of Administration and Finance, may transfer a lesser amount.	\$ (200,000,000)

Section Number	Title	Description	Associated Savings
20	Non-Executive Branch Voluntary 9C's	This section captures the voluntary spending reductions provided within Non-Executive Accounts that have been identified by entities not subject to 9C authority. The section provides reduction amounts for Non-Executive Agencies, and requires that specific account reductions be submitted to the Executive Office for Administration and Finance by October 31st for implementation. In addition to providing voluntary recommendations, these entities have also committed to absorbing \$11.8 million in projected deficiencies in FY09.	\$ (41,046,466)
21	Transfer Reductions	This section reduces transfers to the e-Health Institute Fund; the Massachusetts Alternative and Clean Energy Investment Trust; and the Massachusetts Life Sciences Investment Fund.	\$ (15,000,000)



The Commonwealth of Massachusetts

IN THE YEAR TWO THOUSAND AND EIGHT

AN ACT_{MAKING APPROPRIATIONS FOR THE FISCAL YEAR 2009 TO PROVIDE FOR SUPPLEMENTING CERTAIN EXISTING APPROPRIATIONS AND FOR CERTAIN OTHER ACTIVITIES AND PROJECTS.}

Whereas, the deferred operation of this act would tend to defeat its purposes, which are forthwith to make supplemental appropriations for fiscal year 2009 and to make certain changes in law, each of which is immediately necessary to carry out those appropriations or to accomplish other important public purposes, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. To provide for supplementing certain items in the general appropriation act and other appropriation acts for fiscal year 2009, the sums set forth in section 2 are hereby appropriated from the General Fund unless specifically designed otherwise in this act or in those appropriation acts, for the several purposes and subject to the conditions specified in this act or in those appropriation acts, and subject to the laws regulating the disbursement of public funds for the fiscal year ending June 30, 2009. These sums shall be in addition to any amounts previously appropriated and made available for the purposes of those items.

SECTION 2.

EXECUTIVE OFFICE OF PUBLIC SAFETY AND SECURITY

Municipal Police Training Committee

8200-0210 For the estimated expenses of the operation of expanded annual, specialized and statutorily mandated training programs for veteran and reserve municipal police officers conducted by the municipal

police training committee; expanded recruit training conducted by the municipal police training committee; development and delivery of distance learning programs for municipal police officers; development and execution of a standards and evaluations program for training courses and instructors of, or certified by, the municipal police training committee; for the estimated cost of fringe benefits associated with this training; and, notwithstanding any general or special law to the contrary, for the training fee for new recruits of municipal police departments and those law enforcement officers employed by agencies of the commonwealth who exercise police powers, including but not limited to environmental police officers and campus police officers of the University of Massachusetts and state colleges who exercise police powers; provided, that 100 per cent of the amount appropriated in this item shall be assessed upon property and casualty insurance companies writing motor vehicle insurance policies in the commonwealth and paid within 30 days after the date of notice of such assessment from the commissioner of insurance. The commissioner of insurance may make and collect an assessment to pay for these estimated expenses against all property and casualty companies licensed, admitted, authorized or approved by the commissioner of insurance. The commissioner of insurance shall apportion the estimated charges among all such companies on the basis of direct and written premium of each insurance company in the most recent calendar year and shall assess them for the same on a fair and reasonable basis. The commissioner of insurance shall subsequently apportion actual costs among all such companies and shall make assessment adjustments for the same for any variation between estimated and actual costs. The assessment adjustments shall be apportioned on the basis of direct and written premium of each insurance company in the most recent calendar year and assessed on a fair and reasonable basis. The estimated and actual costs shall include an amount equal to the cost of fringe benefits as established by the secretary of administration and finance under section 6B of chapter 29.....\$3,100,000

Department of State Police

8100-0515 For the estimated expenses of hiring, equipping and training state police recruits to maintain the strength of the state police, provided that 100 per cent of the amount appropriated in this item shall be assessed upon property and casualty insurance companies writing motor vehicle insurance policies in the commonwealth and paid within 30 days after the date of notice of such assessment from the commissioner of insurance. The commissioner of insurance may make and collect an assessment to pay for such estimated expenses against all property and casualty companies licensed, admitted, authorized or approved by the commissioner of insurance. The commissioner of insurance shall apportion the estimated charges among all such companies on the basis of direct and written premium of each insurance company in the most recent calendar year and shall assess them for the same on a fair and reasonable basis. The commissioner of insurance shall subsequently apportion actual costs among all such companies and shall make assessment adjustments for the same for any variation between estimated and actual costs. The assessment adjustments shall be apportioned on the basis of direct and written premium of each insurance company in the most recent calendar year and assessed on a fair and reasonable basis. The estimated and actual costs shall include an amount equal to the cost of fringe benefits as established by the secretary of administration and finance under section 6B of chapter

29.....\$3,200,000

SECTION 3. Chapter 6 of the General Laws is hereby amended by inserting after section 116D the following section:-

Section 116E. Sums for the estimated expenses of providing annual in-service, specialized and statutorily-mandated training programs conducted by the municipal police training committee for veteran and reserve municipal police officers and for those officers employed by agencies of the commonwealth who exercise police powers and receive such training from the municipal police training committee,

including but not limited to environmental police officers, and campus police officers of the University of Massachusetts and state colleges who exercise police powers; new recruit training provided by the municipal police training committee; development and delivery of distance learning programs by the municipal police training committee; a standards and evaluations program for training courses and instructors of, or certified by, the municipal police training committee; the development and updating of training programs, including curricula by the municipal police training committee; hiring, equipping and training new state police recruits; and the development and operation of a state police cadet program, including the hiring, equipping and training of state police cadets, all as may be appropriated therefor, and in addition the estimated cost of fringe benefits associated with this training, hiring, and employment, shall be paid to the commissioner of insurance by property and casualty insurance companies writing motor vehicle insurance policies in the commonwealth, within 30 days after the date of notice from the commissioner of insurance of such estimated expenses. The commissioner of insurance may make and collect an assessment to pay for these estimated expenses against all property and casualty companies licensed, admitted, authorized or approved by the commissioner of insurance. The commissioner of insurance shall apportion the estimated charges among all such companies on the basis of direct and written premium of each insurance company in the most recent calendar year and shall assess them for the same on a fair and reasonable basis. The commissioner of insurance shall subsequently apportion actual costs among all such companies and shall make assessment for any variation between estimated and actual costs. The assessment adjustments shall be apportioned on the basis of direct and written premium of each insurance company in the most recent calendar year and assessed on a fair and reasonable basis. The estimated and actual costs shall include an amount equal to the cost of fringe benefits as established by the secretary of administration and finance under section 6B of chapter 29. Any such assessment collected in any given fiscal year but not expended by the municipal police training committee or the department of state police for the purposes set forth in this section may be retained by the commissioner of insurance for use by the municipal police training committee or department of state police in the following fiscal year. The retained assessment shall be credited against the assessment to be made in the following year, and that assessment shall be reduced by the amount of this credit.

SECTION 4. Section 22C of chapter 32 of the General Laws, as appearing in the 2006 Official Edition, is hereby amended by striking out, in line 29, the words “as of June thirtieth, two thousand and 23” and inserting in place thereof the following words:- on June 30, 2025.

SECTION 5. Section 19 of chapter 32B of the General Laws, as amended by section 4 of chapter 67 of the acts of 2007, is hereby further amended by striking out, in the second sentence of paragraph (e), the words “October 1” and inserting in place thereof the following words:- December 1.

SECTION 6. Section 5 of chapter 59 of the General Laws, as appearing in the 2006 Official Edition, is hereby amended by inserting after the word “than”, in line 220, the following words:- a telephone or telegraph corporation taxed under section 52A of chapter 63 or.

SECTION 7. Said section 5 of said chapter 59 of the General Laws, as so appearing, is hereby further amended by inserting after the words “two A”, in line 223, the following words:- , other than a telephone or telegraph corporation,.

SECTION 8. Clause Sixteenth of said section 5 of chapter 59 of the General Laws is hereby further amended by striking out paragraph (2), as inserted by section 2 of chapter 173 of the acts of 2008, and inserting in place thereof the following paragraph:—

(2) In the case of a business corporation subject to tax under section 39 of chapter 63 that is not a manufacturing corporation, or a telephone or telegraph corporation taxed under section 52A of chapter 63, all property owned by the corporation other than the following:- real estate, poles, underground conduits, wires and pipes, and machinery used in the conduct of the business, which term, as used in this clause, shall not be considered to include stock in trade or any personal property directly used in connection with

dry cleaning or laundering processes or in the refrigeration of goods or in the air-conditioning of premises or in any purchasing, selling, accounting or administrative function.

SECTION 9. Clause Fifth of section 18 of said chapter 59, as appearing in the 2006 Official Edition, is hereby amended by adding the following 2 sentences:- Poles, underground conduits, wires and pipes of telecommunications companies laid in or erected upon public or private ways and property shall be assessed to their owners in the cities or towns where they are laid or erected. For purposes of this clause, telecommunications companies shall include cable television, internet service, telephone service, data service and any other telecommunications service providers.

SECTION 10. Section 39 of said chapter 59, as so appearing, is hereby amended by striking out the first sentence and inserting in place thereof the following 5 sentences:- The valuation at which the poles, wires and underground conduits, wires and pipes of all telephone and telegraph companies shall be assessed by the assessors of the respective cities and towns where the property is subject to taxation shall be determined annually by the commissioner of revenue subject to appeal to the appellate tax board, as provided in this section. Other taxable personal property of telephone and telegraph companies shall be valued and assessed by the assessors of the respective cities and towns where the property is subject to taxation, in the same manner as other personal property is valued and assessed under this chapter. For purposes of sections 39 to 42, telephone and telegraph companies shall include only those telecommunications companies which own and operate two-way voice communications service over wires or cables. Towers and monopoles used to support machinery and equipment for wireless communications shall not be considered poles under this section and shall be considered part of the real estate subject to valuation and assessment by local assessors. Notwithstanding the preceding sentence, a telephone or telegraph corporation shall be subject to property tax assessment on machinery used in the conduct of its business and leased to it by a corporation that is not a telephone or telegraph corporation, and the telephone or telegraph corporation shall include such property on its list to the board of assessors where the property is situated under section 29 of this chapter.

SECTION 11. Section 26 of chapter 302 of the acts of 2008 is hereby amended by striking out the figure “\$1,045,863,158” and inserting in place thereof the following figure:- \$981,863,158.

SECTION 12. Section 27 of said chapter 302 of the acts of 2008 is hereby amended by striking out the figure “113,600,000” and inserting in place thereof the following figure:- \$49,600,000.

SECTION 13. Section 28 of said chapter 302 of the acts of 2008 is hereby repealed.

SECTION 14. The comptroller shall, in consultation with the secretary of administration and finance and the secretary of health and human services, transfer \$64,000,000 from the Commonwealth Care Trust Fund to the General Fund.

SECTION 15. Notwithstanding any general or special law to the contrary, the secretary of administration and finance may authorize the transfer of funds from any item of appropriation for fiscal year 2009 for any executive branch agency to any other item of appropriation for that agency or within its executive office. No transfer authorized by this section shall exceed 7 per cent of the amount appropriated for an item. The transfer may be made only with the written approval of the heads of the sending and receiving agencies and of the secretary of the executive office of each agency involved in the transfer.

SECTION 16. Notwithstanding subclause (a) of clause (xxiii) of the third paragraph of section 9 of chapter 211B of the General Laws, or any other general or special law to the contrary, the chief justice for administration and management may, from the effective date of this act through April 30, 2009, transfer funds from any item of appropriation within the trial court to any other item of appropriation within the trial court. These transfers shall be made in accordance with schedules submitted to the house and senate committees on ways and means. The schedule shall include the following: (1) the amount of money transferred from 1 item of appropriation to another; (2) the reason for the necessity of the transfer; and (3)

the date on which the transfer is to be completed. A transfer under this section shall not occur until 10 days after the revised funding schedules have been submitted in written form to the house and senate committees on ways and means.

SECTION 17. Notwithstanding chapter 150E of the General Laws and as provided in section 8 of chapter 32A and for the purposes of section 14 of chapter 32A, the commonwealth's share of group insurance premiums for active state employees and their dependents where the employees' annual salary is less than \$35,000 shall be 85 per cent; the commonwealth's share of premiums for active state employees and their dependents where the employees' annual salary is \$35,000 or greater but less than \$50,000 shall be 80 per cent; and the commonwealth's share of premiums for active state employees and their dependents where the employees' annual salary is \$50,000 or greater shall be 75 per cent. The commonwealth's share of premiums for active state employees and their dependents shall be determined annually by the active state employee's salary used or collected by the commission to calculate premiums for additional insurance established in section 10A of chapter 32A and disability insurance established in section 10D of chapter 32A. The commission shall notify the house and senate committees on ways and means by April 1 of each year of the cost of the commonwealth's projected share of group insurance premiums for the next fiscal year, and the group insurance commission may pay premium and plan costs for political subdivision employees, retirees and their dependents who are enrolled in the group insurance commission's health plans subject to the commission's regulations.

SECTION 18. Notwithstanding any general or special law to the contrary, the department of highways and department of conservation and recreation may, for the purposes of accommodating timing discrepancies between the available appropriation in items 6030-7201, 6010-0002 and 2820-2000 of section 2 of chapter 182 of the acts of 2008 and expenditures associated with snow and ice control, including the purchase of materials and equipment and the payment of third party vendors, incur liabilities and expenses and the state comptroller may certify for payment invoices in excess of the appropriation in an amount not to exceed \$80,000,000, but any such payment that would result in a deficiency shall be

pre-approved by the secretary of administration and finance, in consultation with the secretary of transportation and public works and the state comptroller.

SECTION 19. (a) Notwithstanding any general or special law to the contrary, the comptroller may, on or before June 30, 2009, transfer up to \$200,000,000 to the General Fund from the Commonwealth Stabilization Fund, but the comptroller shall instead transfer a lesser amount if the secretary of administration and finance so requests in writing.

(b) The comptroller, in consultation with the secretary of administration and finance, may take the overall cash flow needs of the commonwealth into consideration in determining the timing of any transfer of funds. The comptroller shall provide a schedule of transfers to the secretary of administration and finance and to the house and senate committees on ways and means.

SECTION 20. (a) Notwithstanding any general or special law to the contrary, the appropriations for fiscal year 2009 under section 2 of chapter 182 of the acts of 2008 shall be reduced as follows: (1) the judiciary shall be reduced by \$22,104,009; (2) the office of the governor shall be reduced by \$1,173,129; (3) the office of the secretary of state shall be reduced by \$3,800,000; (4) the office of the treasurer and receiver-general shall be reduced by \$388,000; (5) the office of the state auditor shall be reduced by \$1,050,493; (6) the office of the attorney general shall be reduced by \$500,000; and (7) the legislature shall be reduced by \$9,000,000.

(b) Notwithstanding any general or special law to the contrary, the appropriations for fiscal year 2009 under section 2 of chapter 182 of the acts of 2008 shall be reduced as follows: (1) the Suffolk district attorney's office shall be reduced by \$424,441; (2) the northern district attorney's office shall be reduced by \$370,160; (3) the eastern district attorney's office shall be reduced by \$232,478; (4) the middle district attorney's office shall be reduced by \$242,480; (5) the Hampden district attorney's office shall be reduced

by \$217,217; (6) the northwestern district attorney's office shall be reduced by \$137,632; (7) the Norfolk district attorney's office shall be reduced by \$224,825; (8) the Plymouth district attorney's office shall be reduced by \$196,661; (9) the Bristol district attorney's office shall be reduced by \$201,385; (10) the Cape and Islands district attorney's office shall be reduced by \$101,642; (11) the Berkshire district attorney's office shall be reduced by \$97,477; and (12) the district attorneys' association shall be reduced by \$584,436.

(c) Each department or office with an appropriation that has been reduced under this section shall provide a detailed listing of each reduction by line item to the secretary of administration and finance by October 31, 2008.

(d) The comptroller, at the direction of the secretary of administration and finance, shall take all necessary action to implement this section by reducing the allotment for the line item amounts identified by each department and office under subsection (c).

SECTION 21. Notwithstanding any general or special law to the contrary, the comptroller shall transfer the following amounts to the General Fund after notice from the secretary of administration and finance that sufficient funds are available: (a) \$5,000,000 from the e-Health Institute Fund, established by section 6E of chapter 40J of the General Laws as inserted by section 4 of chapter 305 of the acts of 2008; (b) \$5,000,000 from the Massachusetts Alternative and Clean Energy Investment Trust Fund, established by section 35FF of chapter 10 of the General Laws, as inserted by section 10 of chapter 140 of the acts of 2007; and (c) \$5,000,000 from the Massachusetts Life Sciences Investment Fund established by section 6 of chapter 23I of the General Laws, as amended by section 13 of chapter 130 of the acts of 2008.

Transfers under this section shall be made no later than June 30, 2009.

SECTION 22. Notwithstanding any general or special law to the contrary, and subject to section 9 taking effect as of January 1, 2008 and sections 6, 7, 8, and 10 taking effect on January 1, 2009, the amount of General Fund Supplement to Hold Harmless Lottery Aid to be distributed and paid to each city and town under section 3 of chapter 182 of the acts of 2008 shall be reduced by 50 per cent of the amount of fiscal year 2009 tax base growth certified by the commissioner of revenue under subsection (f) of section 21C of said chapter 59 as being attributable to the assessment of the poles and wires owned by telephone and telegraph companies and erected on public ways. For purposes of this section, telephone and telegraph companies are corporations subject to valuation by the commissioner under section 39 of said chapter 59.

SECTION 23. Section 9 shall take effect as of January 1, 2008 and shall apply to property taxes assessed for fiscal years beginning on or after July 1, 2008. Notwithstanding any general or special law to the contrary, for fiscal year 2009, the assessors of any city or town may assess taxes for any personal property taxable under section 9 not included in the fiscal year 2009 annual tax assessment to its owner in the manner and within the time provided by section 75 or 76 of said chapter 59.

SECTION 24. Sections 6, 7, 8 and 10 shall take effect on January 1, 2009.

SECTION 25. Section 17 shall take effect on January 1, 2009.